

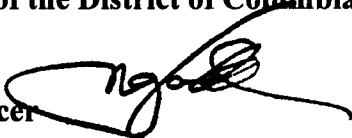
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: May 18, 2010

SUBJECT: Fiscal Impact Statement – “Health Insurance for Dependents Act of 2009”

REFERENCE: Bill Number 18-499 – As Introduced

Conclusion

Funds are sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the proposed legislation. The proposed legislation does not have an impact on the District’s budget and financial plan.

Background

The proposed legislation would require group health plans, individual health plans, and health insurers to provide health insurance coverage¹ for dependents², who are 25 years of age or younger, on the same terms that insurance benefits are provided to other covered dependents.

¹ “Health insurance coverage” refers to benefits consisting of medical care (provided directly, through insurance or reimbursement, or otherwise and includes items and services paid for as medical care) under any hospital or medical service policy or certificate, hospital, or medical service plan contract, or health maintenance organization contract offered by a health insurer.

² Dependent (dependent child) is defined as an insured’s child by blood or by law who: (i) is 25 years of age or younger; (ii) is unmarried; (iii) has no dependent of his own; (iv) is a resident of the District of Columbia or is enrolled as a full-time student at an accredited public or private institution of higher education; and (v) is not provided coverage, or eligible to receive coverage, as a named subscriber, insured, enrollee, or covered person under any other group health plan or individual health plan, or entitled to benefits under Title XVIII of the Social Security Act, Pub.L.74-271 (42 U.S.C. § 1395 *et seq.*) at the time dependent coverage pursuant to this act begins.

Financial Plan Impact

Funds are sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the proposed legislation. The proposed legislation does not have an impact on the District's budget and financial plan. Currently in the District, there is no required benefit for students beyond the age of 19, and the age coverage varies by plan. However, recently enacted federal legislation³ will provide this coverage for dependent children under the age of 26. The proposed legislation would start the benefit prior to the effective date of the federal legislation. The earlier coverage would not increase the premiums for the District government employees, and would not impose any additional cost to District's budget through the healthcare benefits the District offers to its employees.

³ The Patient Protection and Affordable Care Act (Pub. L. 111-148), enacted March 23, 2010; and The Health Care and Education Reconciliation Act of 2010 (Pub. L. 111-152), enacted on March 30, 2010.